



# PUBLIC NOTICE

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DA No. 22-64

Report No. SCL-00353

Thursday January 20, 2022

## Actions Taken Under Cable Landing License Act

### Section 1.767(a) Cable Landing Licenses, Modifications, and Assignments or Transfers of Control of Interests in Cable Landing Licenses (47 C.F.R. § 1.767(a))

By the Chief, Telecommunications and Analysis Division, International Bureau:

Pursuant to An Act Relating to the Landing and Operation of Submarine Cables in the United States, 47 U.S.C. §§ 34-39 (Cable Landing License Act), Executive Order No. 10530, Exec. Ord. No. 10530 reprinted as amended in 3 U.S.C. § 301, and section 1.767 of the Commission's rules, 47 C.F.R. § 1.767, the following applications ARE GRANTED. These grants of authority are taken under section 0.261 of the Commission's rules, 47 C.F.R. § 0.261. Petitions for reconsideration under section 1.106 or applications for review under section 1.115 of the Commission's rules, 47 C.F.R. §§ 1.106, 1.115, may be filed within 30 days of the date of this public notice.

These applications have been coordinated with the Department of State and other Executive Branch agencies pursuant to section 1.767(b) of the Commission's rules, 47 C.F.R. § 1.767(b), and consistent with procedures established with the Department of State. See Review of Commission Consideration of Applications under the Cable Landing License Act, IB Docket No. 00-106, Report and Order, 16 FCC Rcd 22167, 22192-93, paras. 51-52 (2001) (Submarine Cable Landing License Report and Order); Streamlined Procedures for Executive Branch Review of Submarine Cable Landing License Requests, State Department Media Note (Revised) (rel. Dec. 20, 2001) available at <http://2001-2009.state.gov/r/pa/prs/ps/2001/6951.htm>.

This public notice serves as each cable landing licensee's Cable Landing License, or modification thereto, pursuant to the Cable Landing License Act and sections 1.767 and 1.768 of the Commission's rules. Cable landing licensees should review carefully the terms and conditions of their licenses. Failure to comply with these terms and conditions or relevant Commission rules and policies could result in fines or forfeitures.

Acceptability for Filing Public Notice: Application filed by Edge Cable Holdings USA, LLC (Edge USA) and GU Holdings Inc. (GU Holdings) (together, Applicants) for a license to construct, land, and operate a non-common carrier fiber-optic submarine cable system connecting California, Guam, Singapore, and Indonesia, the Echo cable system. The Application was placed on Public Notice on April 23, 2021. See Streamlined Submarine Cable Landing License Applications Accepted for Filing, File No. SCL-LIC-20210329-00020, Public Notice, Report No. SCL-00315S (IB, rel. April 23, 2021). No comments or oppositions were filed in response to the Public Notice. Applicants filed supplements to the Application on October 19, 2021 and October 29, 2021 that updated the ownership information for the portion of the system in Singapore territory and notified the Commission that Edge USA's direct parent company, Facebook, Inc., changed its name to Meta Platforms, Inc. (Meta), effective October 28, 2021. Applicants were granted special temporary authority (STA) to allow the construction and testing at their own risk on those portions of the Echo cable system in U.S. territory while the Commission considered the Application for a cable landing license. See SCL-STA-20210827-00036.

The Application has been coordinated with the Department of State and other Executive Branch agencies pursuant to section 1.767(b) of the Commission's rules, 47 CFR § 1.767(b), and consistent with the procedures established by the Department of State. See Review of Commission Consideration of Applications under the Cable Landing License Act, IB Docket No. 00-106, Report and Order, 16 FCC Red 22167, 22192-93, paras. 51-52(2001) (Submarine Cable Landing License Report and Order); Submarine Cable Landing License Requests, State Department Media Note (Revised) (rel. December 20, 2001) available at <https://2001-2009.state.gov/r/pa/prs/ps/2001/6951.htm>. On April 29, 2021 the Department of Homeland Security filed a letter requesting that we defer action on the application. On December 9, 2021, the National Telecommunications and Information Administration, on behalf of the Committee for the Assessment of Foreign Participation in the United States Telecommunications Services Sector (Committee), filed a Petition to Adopt Conditions to Authorization and License. The Committee has no objection to the Commission approving authority to construct, land, and operate the Echo cable system, provided that the Commission conditions its approval on the assurances of Edge Cable Holdings USA, LLC and GU Holdings Inc. to abide by the commitments and undertakings set forth in the December 2, 2021, National Security Agreement between Edge Cable Holdings USA, LLC and GU Holdings Inc. and the Department of Justice, the Department of Homeland Security and the Department of Defense.

Action Taken: (1) Grant of Cable Landing License to Edge Cable Holdings USA, LLC and GU Holdings Inc. for the purpose of landing and operating a non-common carrier fiber optic submarine cable connecting California, Guam, Singapore, and Indonesia, the Echo cable system; (2) waiver of section 1.767(h)(1) of the Commission's rules, 47 CFR § 1.767(h)(1), in connection with the license; and (3) grant of the Petition to Adopt Conditions to Authorization and License filed by the National Telecommunications and Information Administration on December 9, 2021.

Licensee Information: Edge USA, a Delaware corporation, is a wholly owned direct subsidiary of Meta, a Delaware corporation that is publicly traded on the NASDAQ Stock Market. As of December 31, 2020, CZI Holdings, LLC (CZI), a Delaware LLC, held a 12.44% equity interest and a 51.85% voting interest in Meta. As of December 31, 2020, Mark Zuckerberg, a U.S. citizen, held a 12.83% equity interest and a 57.8% voting interest in Meta that includes: (1) a 53.0% voting interest for securities he has voting and investment power over, and (2) a 4.8% voting interest that he exercises voting control over through an irrevocable proxy, except under limited circumstances, pursuant to voting agreement with Mr. Zuckerberg, Facebook and the other stockholders subject to the proxy agreement. Shares of Class A and Class B Meta stock are held by Mr. Zuckerberg, Trustee of the Mark Zuckerberg Trust (2006 Trust) and Chan Zuckerberg Initiative Foundation (CZIF). The 2006 Trust is the sole member of CZI, and Mr. Zuckerberg is the sole trustee of the 2006 Trust, thereby having sole voting and investment power over the securities held by CZIF. Edge USA has no other 10% or greater direct or indirect shareholders.

GU Holdings, a Delaware company, is an indirect, wholly owned subsidiary of Google LLC (Google), a Delaware company. The 10% or greater direct or indirect owners of GU Holdings are: (1) Google International LLC, a Delaware limited liability company (100% equity and voting interest); (2) Google LLC, a Delaware limited liability company (97% equity and voting interest in Google International); (3) XXVI Holdings Inc., a Delaware company (100% equity and voting interest in Google LLC); (4) Alphabet Inc. (Alphabet), a Delaware company (more than 99% equity and voting interest in XXVI Holdings Inc.); (5) Mr. Larry Page, a U.S. citizen and Co-Founder of Alphabet (26.28% voting interest in Alphabet through ownership of 43.5% of Alphabet's Class B common stock); and (6) Mr. Sergey Brin, a U.S. citizen and Co-Founder of Alphabet (25.25% voting interest in Alphabet through ownership of 41.8% of Alphabet's Class B common stock). Alphabet's shares are publicly traded on the NASDAQ stock market. No other entity or individuals hold a 10% or greater equity or voting interest in Alphabet or GU Holdings.

Cable Design and Capacity: The Echo cable system will consist of a Main Trunk that will directly connect Eureka, California and Singapore, and three branching units that will connect the Main Trunk to two landing points in Guam (Piti and Agat) and one landing point in Indonesia. Applicants state that several branches on the Main Trunk will remain unconstructed initially, and that Applicants will request modification(s) to the submarine cable landing license to add new landing points if construction of new branches moves forward.

Main Trunk: The Main Trunk is 16,026 kilometers in length and will have 12 fiber pairs, each having a design capacity of 12 Terabits per second (Tbps).

Piti Branch and Agat Branch: Both branches are 372 kilometers in length and each branch will have 12 fiber pairs with a design capacity of 12 Tbps.

Indonesia Branch: The branch is 234 kilometers in length and will consist of four fiber pairs, each having a design capacity of 12 Tbps.

Ownership and Control of the Cable System: The Echo cable system's infrastructure for the Main Trunk and branches is owned and controlled as follows:

Main Trunk: (1) Edge USA and GU Holdings will each hold a 50% equity interest and a 50% voting interest in the portion in U.S. Territory; (2) Edge Network Services Limited (Edge NSL), an affiliate of Edge USA, and Google Singapore Pte. Ltd. (GSPL), an affiliate of GU Holdings, will each hold a 50% equity interest and a 50% voting interest in the portion in international and Indonesian waters; and (3) Kusu Pte. Ltd (Kusu), a Singapore company affiliate of Edge USA, and GSPL will each hold a 50% equity interest and voting interest in the portion in Singapore territory.

Guam Branches: The Echo system's Guam branches' wet infrastructure and common infrastructure are owned and controlled as follows: (1) Edge USA and GU Holdings will each hold a 50% equity interest and a 50% voting interest in the portion in U.S. territory, and (2) Edge NSL and GSPL will each hold a 50% equity interest and a 50% voting interest in the portion in international waters. Edge USA and its affiliates will own 8 of the 12 fiber pairs landing at Piti, Guam, with GU Holdings and its affiliates owning the remaining 4 fiber pairs. GU Holdings and its affiliates will own 8 of the 12 fiber pairs at Agat, Guam, with Edge USA and its affiliates owning the remaining 4 fiber pairs.

Indonesian Branch: The wet and common infrastructure of the Indonesia branch is owned and controlled by Edge Network Services Limited (Indonesia Branch) and GSPL, each holding a 50% voting and participation interest in Echo.

Applicants state that because Edge, Kusu, Edge Indonesia, and GSPL will not use the U.S. endpoints of the Echo cable system, none of these entities is required to be an applicant/licensee for the cable landing license under section 1.767(h)(2) of the Commission's rules, 47 CFR § 1.767(h)(2).

Ownership and Control of Cable System Landing Stations: The cable landing stations are owned and controlled as follows:

Eureka, CA: Edge USA will be the U.S. landing party and control Echo's use of the cable landing station to be constructed at Eureka, California under a contract with EdgeConneX Arcata Holdings, LLC (EdgeConneX), a company incorporated in Delaware and California. Applicants also state that EdgeConneX is a U.S.-based data center operator that is not affiliated with Edge USA.

Piti, Guam and Agat, Guam: Edge USA will be the U.S. landing party and control Echo's use of the existing cable landing stations at Piti and Agat under a contract with Tata Communications (America) Inc. (TCA).

Singapore: Google Singapore Pte Ltd will be the Singapore landing party and control Echo's use of the existing cable landing station in Singapore under a contract with Telstra International Limited.

Indonesia: PT XL Axiata Tbk, the landing party in Indonesia, will own and control the new cable landing station to be constructed at Tanjung Pakis, Indonesia. Applicants state that title of the Indonesian Branch will be transferred to PT XL Axiata Tbk at system acceptance, and that Edge Indonesia and GSPL will both receive a reciprocal right of use for the branch. Applicants also state that EdgeConneX is a U.S.-based data center operator that is not affiliated with Edge USA.

Applicants request a waiver of section 1.767(h)(1) to exclude EdgeConneX, the owner of the Eureka, CA landing station, and TCA, the owner of Piti and Agat, Guam cable landing stations, from being joint applicants/licensees for the Echo cable landing license. Section 1.767(h)(1) requires that "any entity that owns or controls a cable landing station in the United States" is among the category of entities that shall be "applicants for, and licensees on, a cable landing license." 47 CFR § 1.767(h)(1). Applicants contend that neither EdgeConneX nor TCA will have any ability to affect significantly the operation of the Echo cable system, and inclusion of EdgeConneX and TCA as joint applicants is not necessary to ensure compliance by the Applicants with the Cable Landing License Act, the Commission's cable landing license rules, or the terms of any cable landing license. Applicants state that they will contract jointly with EdgeConneX for the Eureka cable landing and with TCA for the Piti, Guam and Agat, Guam cable landings for the provision of certain limited services that would not provide either EdgeConneX or TCA with any ability to affect significantly the Echo system's operation. Applicants state they will enter long-term leases with EdgeConneX and TCA for colocation space for power feed equipment for the cable stations, retain operational authority over the Echo system landing facilities, and provide direction to EdgeConneX and TCA in all matters relating to the Echo system. Applicants assert they will ensure that all indefeasible rights of use (IRU) and lease agreements have initial terms, with extension options at the sole discretion of the Applicants, for a total of 25 years each, coextensive with the term of the cable landing license.

The purpose of the section 1.767(h)(1) requirement is to ensure that entities having a significant ability to affect the operation of the cable system become licensees so that they are subject to the conditions and responsibilities associated with the license. See Submarine Cable Landing License Report and Order, 16 FCC Rcd at 22194-95, paras. 53-54. Although EdgeConneX is the owner of the Eureka, CA cable landing station and TCA owns the landing stations at Piti, Guam and Agat, Guam, we find, based on the agreements between the applicants/licensees and the cable station owners described above, that neither EdgeConneX nor TCA will have the ability to affect significantly the operation of the cable system. Accordingly, we grant Applicants a waiver of section 1.767(h)(1) and do not require EdgeConneX and TCA to be applicants/licensees for the Echo cable system.

Regulatory Status of the Cable: The Applicants propose to operate the Echo cable system on a non-common carrier basis, either by using the Echo system to serve their own internal business connectivity needs or by providing bulk capacity to wholesale and enterprise customers on particularized terms and conditions pursuant to individualized negotiations. The Echo system will provide capacity to support both Meta's global platform (Edge USA) and Google's network (GU Holdings) in connecting both entities to their users, points of presence, and data centers. Further, Applicants state the existence of ample competing submarine cable facilities providing U.S.-Singapore, U.S.-Indonesia, and U.S.-Southeast Asia connectivity ensures that the Echo system would not function as a bottleneck facility on those routes. Specifically, they state that Echo will enhance competition by competing vigorously with other cable systems on the U.S.-Singapore route (Asia-America Gateway, APCN-2, Asia Pacific Gateway, Asia Submarine-cable Express, EAC-C2C, and Southeast Asia-Japan systems) and the U.S.-Indonesia route (SEA-US and a combination of systems connecting Indonesia to Singapore, with onward connectivity to the United States via a variety of systems).

Applicants have provided information and demonstrated that the proposed operation of the cable on a non-common carrier basis satisfies the requirements set forth in National Association of Regulatory Utility Commissioners v. FCC, 525 F.2d 630,642 (D.C. Cir 1976) (NARUC I), cert. denied, 425 U.S. 992 (1976). See also Submarine Cable Landing License Report and Order, 16 FCC Rcd at 22202-22203, paras. 69-70; Review of Commission Consideration of Applications under the Cable Landing License Act, IB Docket No. 00-106, Notice of Proposed Rulemaking, 15 FCC Rcd 20789, 20815-20818, paras. 62-67.

Conditions and Requirements: Applicants shall comply with the routine conditions specified in section 1.767(g) of the Commission's rules, 47 CFR § 1.767(g), and with the requirements of section 1.768 of the Commission's rules, 47 CFR § 1.768 (Notification by and prior approval for submarine cable landing licenses that are or propose to become affiliated with a foreign carrier).

We grant the Petition to Adopt Conditions to Authorization and License (Petition) filed in this proceeding by the National Telecommunications and Information Agency, on behalf of the Committee for the Assessment of Foreign Participation in the United States Telecommunications

—Services Sector, on December 9, 2021. Accordingly, we condition grant of this Application on Edge Cable Holdings USA, LLC and GU Holdings Inc. abiding by the commitments and undertakings contained in the December 2, 2021, National Security Agreement (NSA) between the Applicants and the Department of Justice, the Department of Homeland Security, and the Department of Defense. A failure to comply and/or remain in compliance with any of these commitments and undertakings shall constitute a failure to meet a condition of the cable landing license and thus grounds for declaring the license terminated without further action on the part of the Commission. Failure to meet a condition of the license may also result in monetary sanctions or other enforcement action by the Commission. A copy of the Petition and the NSA are publicly available and may be viewed on the FCC website through the International Bureau Filing System (IBFS) by searching SCL-LIC-20210329-00020 and accessing "Other filings related to this application" from the Document Viewing area.

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